

# CITIZENS' BUDGET



## 2018 BRIEF



### Property Taxes

Primary property tax levy is budgeted at \$536 million, which is \$148 million below the statutory limit.



### Expenditures

Expenditure budget of \$2.49 billion, an increase of \$134 million as compared to FY17.



### Reserve

Reserve funds set aside with two months of operating expenditures for both the General and Detention Funds.



### Capital Projects

Capital projects budgeted at \$359 million. With \$82.3 million for the new Intake/Transfer/Release Jail facility that will increase efficiency for partner agencies.



### Mandated Costs

Maricopa County is mandated to make a variety of payments to the State of Arizona. These include \$267 million in cost shifts and health care programs.



### Public Safety

More than 53% of the County budget is dedicated to public safety and criminal justice.

# Introduction

## WELCOME

Welcome to the Citizens' Budget Brief for Maricopa County's Fiscal Year 2018 Budget. The County takes fiscal transparency seriously, and this document provides citizens with a way to review how their resources are allocated within their county government.

## ABOUT MARICOPA COUNTY



**Population:** 4,242,997  
**Land Area:** 9,224 Sq Miles  
**Household Income:** \$54,229  
**% of AZ Population:** 61%  
**Median Assessed Value of Single Family Homes:** \$129,376

**Maricopa County**

## Board of Supervisors

Maricopa County is a subdivision of the Arizona State government. The Board of Supervisors is the governing body for the County. Each member represents one of the five districts, which are divided geographically and by population to include a mix of urban and rural constituencies. Supervisors are elected to four-year terms and are not term-limited.



## BOARD OF SUPERVISORS

(From left to right)

District 2: Steve Chucri

District 3: Bill Gates

District 1: Chairman, Denny Barney

District 5: Steve Gallardo

District 4: Clint Hickman

## Constitutional Officials

Maricopa County's mandated functions are defined by both the Arizona State Constitution and the Arizona Revised Statutes. Nine County offices are independently overseen by elected officials. However, the Board of Supervisors still sets the expenditure authority for each elected officials' department through the annual budget process. The other elected officials are pictured and listed below:



## CONSTITUTIONAL ELECTED OFFICIALS

(From upper left to right)

County Assessor: Paul D. Peterson

County Attorney: Bill Montgomery

Clerk of the Superior Court: Michael K. Jeanes

Presiding Judge of the Superior Court: Janet Barton

Presiding Justice of the Peace: Keith Russell

Recorder: Adrian Fontes

Sheriff: Paul Penzone

School Superintendent: Steve Watson

Treasurer: Royce T. Flora

# Budget Background

The Fiscal Year 2018 Budget runs from July 1, 2017 until June 30, 2018.

## ABOUT THE BUDGET

### Budget Philosophy

Maricopa County develops and maintains a structurally balanced budget, which means that recurring revenues meet or exceed recurring expenses over the economic cycle. Therefore, the County does not use one-time resources as a funding source for on-going operations.

### Budget Guidelines

Each year the Board of Supervisors establishes budget guidelines to provide direction to the Constitutional Officers, County Manager, Budget Office, and departments. This year the guidelines included:

- Property tax rate will remain unchanged
- No department requests over baseline
- Reserves must be set aside

### Strategic Priorities

The County has established a set of strategic priorities and goals that influence how resources are allocated in the budget.

- Fiscal Strength and Responsibility
- Safe Communities
- Growth and Economic Development
- Regional Services
- Government Operations



"This budget keeps us on a path of fiscal responsibility, while at the same time, investing in much-needed capital projects like a new jail and intake facility that will make our criminal justice system much more efficient."

Denny Barney  
Chairman of the Board of Supervisors

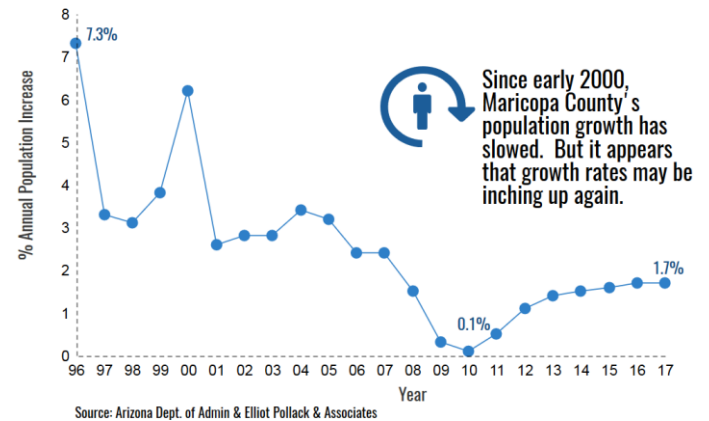
## ECONOMIC INFLUENCES

Economic factors have an influence on the budget by affecting revenue growth and service demands.

### Population

#### Maricopa County Population Figures

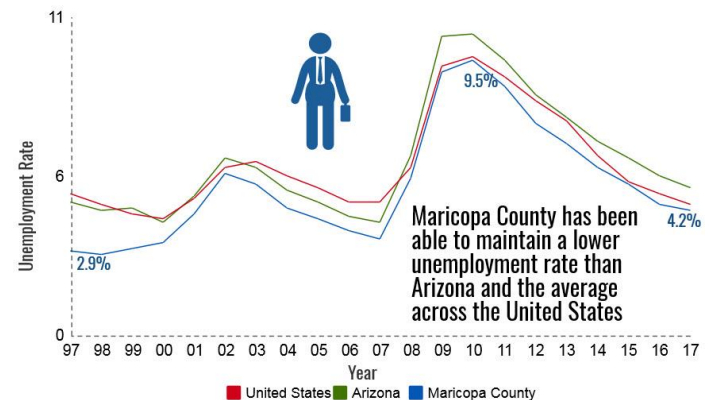
(Annual % Change)



### Unemployment

#### Maricopa County Unemployment Rate Compared

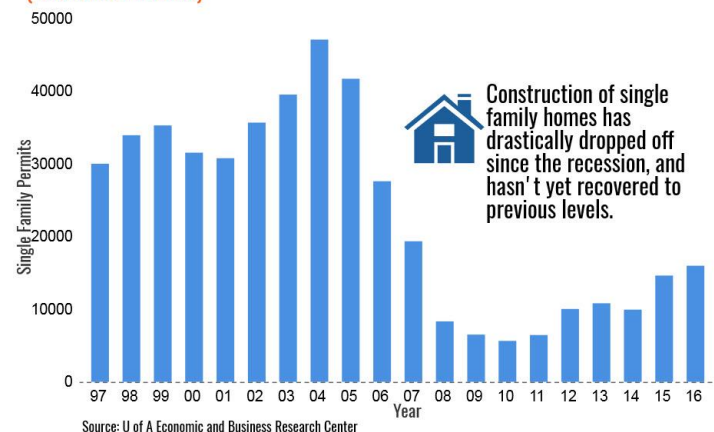
(Annual Average %)



### Single Family Residential Permits

#### Maricopa County Single Family Residential Permits

(Total Annual Permits)



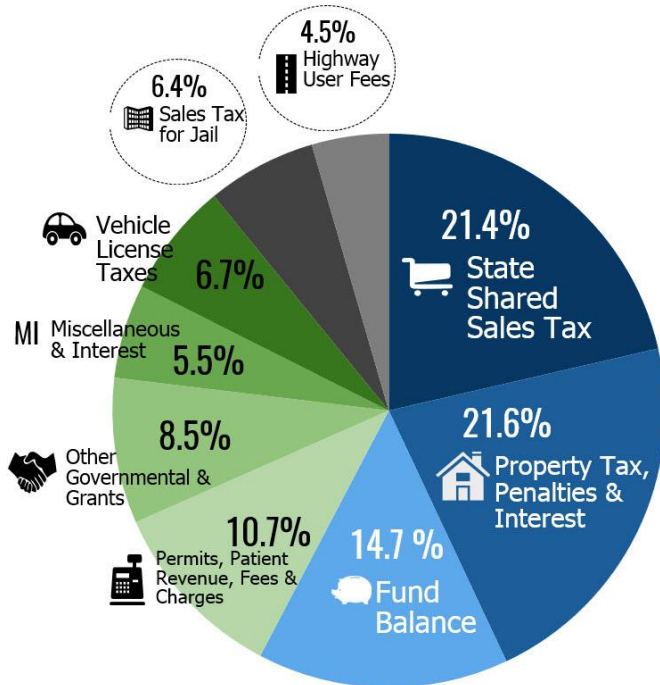


# Budget Overview

## COUNTY TOTALS

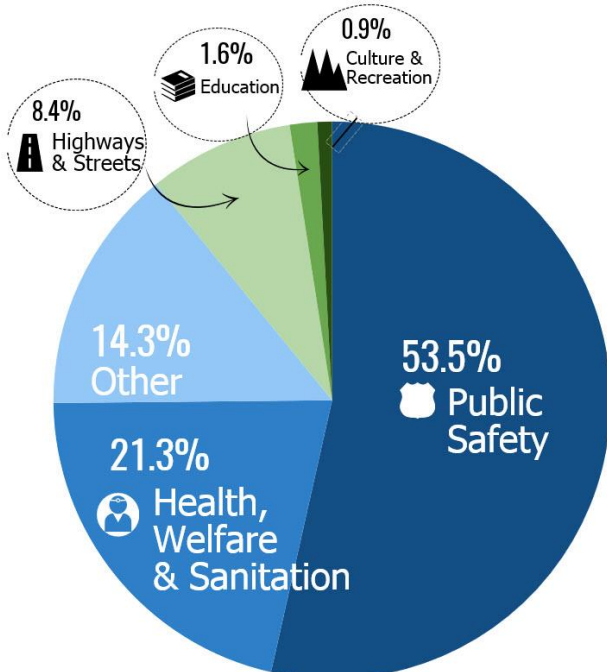
Total budgeted revenue and expenditures for FY18 are \$2,490,087,419, an increase of \$134,079,443 from FY17.

### FY18 Total Revenue by Source



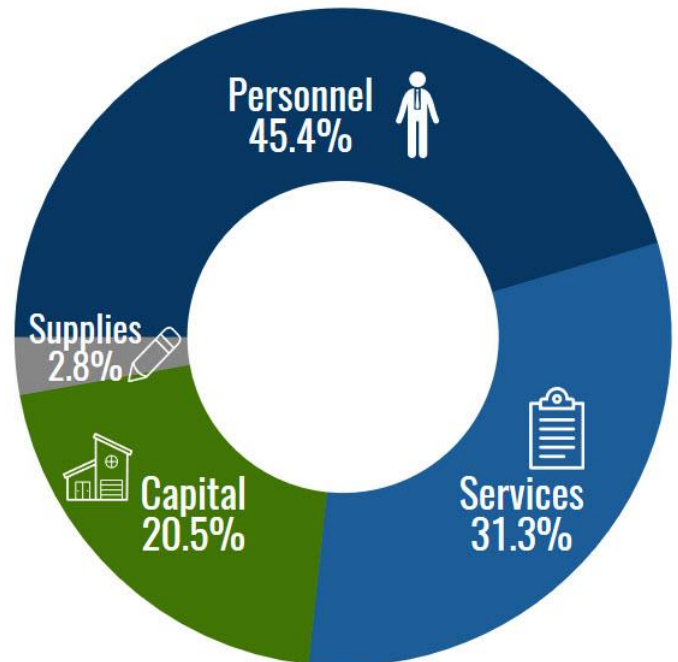
### FY18 Total Expenditures by Activity

Public Safety is the largest activity and includes the Sheriff, Probation, County Attorney, Courts, etc.



### FY18 Total Expenditures by Category

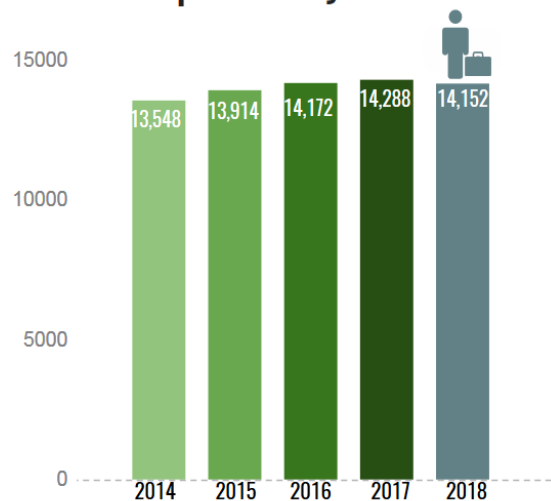
Personnel is the county's largest category of expenditures.



## PERSONNEL

Total budgeted FTE's have decreased by 136 positions from FY17 adopted to FY18. This is due to the elimination of positions in Protective Services that were replaced by private contractors, and grant funded positions not receiving funding.

### Maricopa County Personnel\*



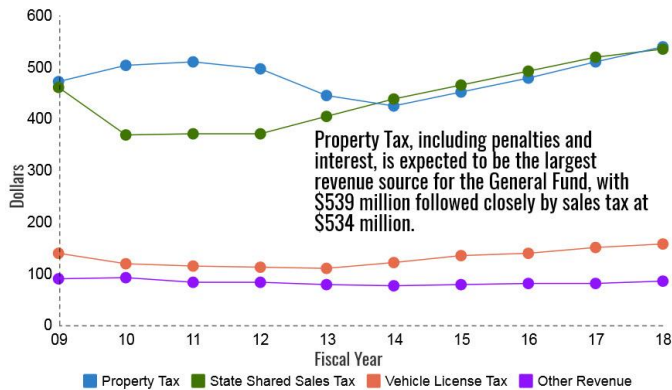
\* Adopted Budget

## GENERAL FUND

The General Fund is the county's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in other funds.

### General Fund Revenue History

(In Millions)



## Property Taxes

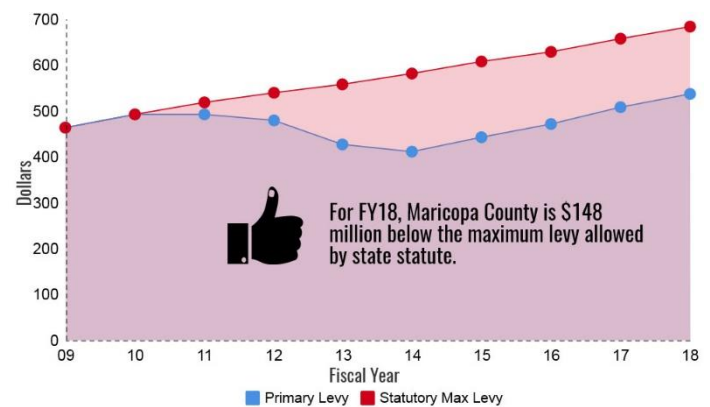
### PRIMARY PROPERTY TAX OVERVIEW

The tax rate for FY18 remained flat at \$1.4009. Maricopa County's primary property tax levy is \$535,870,745 for FY18, an increase of \$29,648,603. The increase in property tax revenue is due to growth in the assessed valuation of properties and new construction.

Maricopa County prides itself on being a good steward of citizens' tax dollars. State statute limits the amount of property tax revenue the county can levy every year. The graph below shows that Maricopa County has remained well under that maximum levy for the last 8 years. For FY18, the maximum levy is \$684 million.

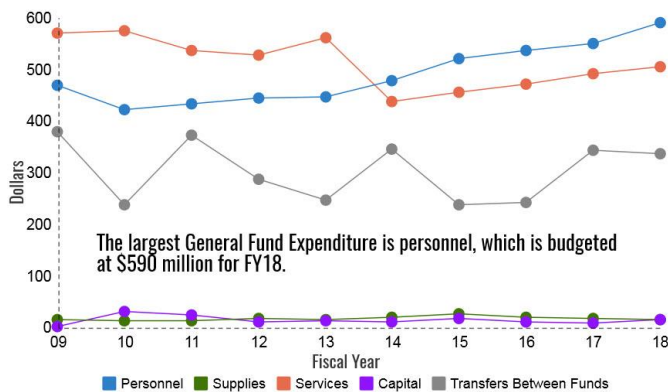
### Actual Levy vs. Statutory Maximum

(In Millions)



### General Fund Expenditure History

(In Millions)

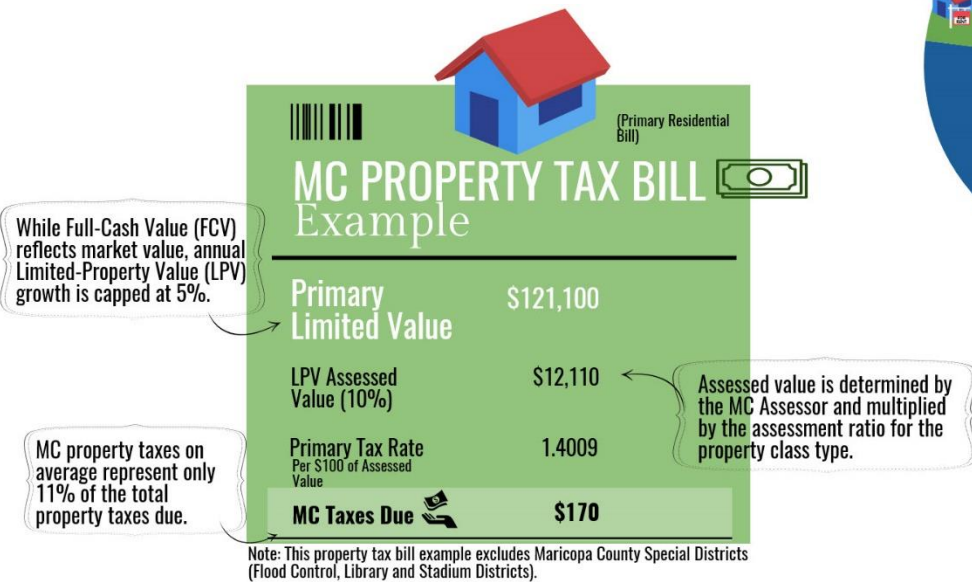


Fiscal Year	GF Budget	Yr-Over-Yr Change	% Change
2009	1,431,161,094		
2010	1,274,013,084	(157,148,010)	-10.98%
2011	1,373,769,565	99,756,481	7.83%
2012	1,283,872,849	(89,896,716)	-6.54%
2013	1,281,919,431	(1,953,418)	-0.15%
2014	1,288,546,966	6,627,535	0.52%
2015	1,253,626,194	(34,920,772)	-2.71%
2016	1,274,904,388	21,278,194	1.70%
2017	1,406,003,835	131,099,447	10.28%
2018	1,458,686,531	52,682,696	3.75%

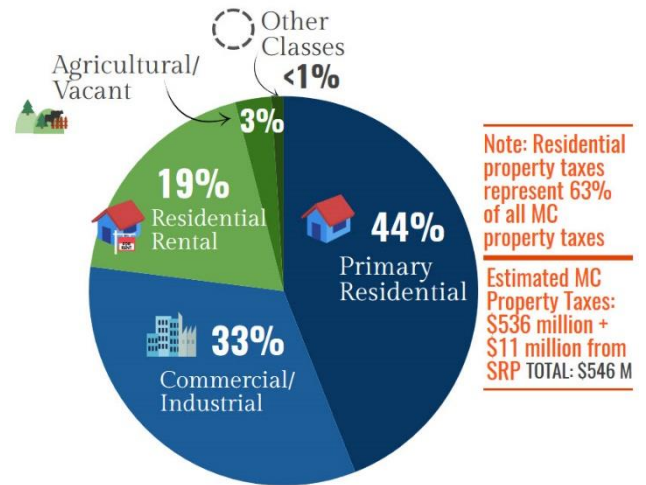


## UNDERSTAND YOUR PROPERTY TAX BILL

The example below is a simplification of the property taxation process. In order to review an actual bill, all taxing jurisdictions would need to be included, as well as applicable circuit breakers, homeowner rebates, and the 1% limit on the limited-property tax (LPV) for class three (primary residential) properties.



## Which Property Tax Classes Generate the Most Revenue?



## FY 2018 Property Taxes & Assessment Ratios

### TOP 4 PROPERTY CLASSES BY REVENUE COLLECTION

#### How are Property Taxes Determined?

Property taxes are based upon the tax rate, property value and property use type (property class).

These are the 4 major property classes and the amount of revenue they should generate in 2017.



Assessment Ratio	10%	18%	10%	16%
Expected Property Taxes in FY 2018 (in millions of dollars)	\$236 M	\$177 M	\$101 M	\$18 M



# Department Budgets

The table to the right is a comparison of all department budgets and FTE's from FY17 revised to FY18 adopted.

The tables below highlight the top five largest departments by budget and FTE count.

Department	FY18 Budget
Sheriff	\$374,050,627
Transportation	\$210,195,330
Employee Benefits	\$181,878,761
Adult Probation	\$105,909,367
Superior Court	\$105,526,927

Department	FY18 FTE's
Sheriff	3,811
Superior Court	1,260
Adult Probation	1,200
County Attorney	1,022
Clerk of the Court	695

Department	Total Department <sup>1</sup> Budget			Personnel		
	FY17	FY18	% Change	FY17 FTE's	FY18 FTE's	% Change
Adult Probation	103,745,094	105,909,367	2%	1,176	1,200	2%
Air Quality	18,775,365	21,633,388	15%	144	143	-1%
Animal Care and Control	16,793,043	16,211,715	-3%	175	185	6%
Assessor	24,404,617	24,604,445	1%	310	310	0%
Budget	2,465,697	1,927,528	-22%	18	16	-11%
Call Center	1,745,152	1,585,796	-9%	27	22	-19%
Clerk of the Superior Court	44,573,094	45,611,085	2%	689	695	1%
Constables	3,368,393	3,348,847	-1%	37	37	0%
Contract Counsel	54,421,610	51,483,790	-5%	33	33	0%
Correctional Health	68,864,472	69,098,092	0%	481	486	1%
County Attorney	104,734,403	103,700,981	-1%	1,014	1,022	1%
County School Superintendent	30,877,428	39,543,976	28%	137	121	-12%
Elections	23,904,011	6,740,707	-72%	57	28	-51%
Emergency Management	2,232,152	4,721,586	112%	16	36	125%
Employee Benefits and Health	182,433,716	181,878,761	0%	36	37	3%
Enterprise Technology	55,186,858	68,091,349	23%	214	215	1%
Environmental Services	24,872,237	25,560,631	3%	278	279	0%
Equipment Services	17,861,193	23,960,529	34%	54	54	0%
Facilities Management	72,571,576	73,257,773	1%	219	169	-23%
Finance	2,906,344	3,900,879	34%	40	37	-8%
General Administration <sup>2</sup>	11,858,150	11,487,678	-3%	119	113	-5%
Human Resources	4,559,459	8,083,137	77%	47	47	0%
Human Services	60,112,773	53,772,706	-11%	359	358	0%
Integrated Crim Justice Info	1,697,008	1,700,328	0%	6	6	0%
Internal Audit	1,924,489	2,252,016	17%	19	18	-6%
Justice Courts	26,135,271	25,788,457	-1%	340	340	0%
Juvenile Probation	59,650,948	60,237,493	1%	669	659	-1%
Legal Advocate	12,283,911	12,593,622	3%	123	123	0%
Legal Defender	13,807,835	14,170,824	3%	135	135	0%
Medical Examiner	10,707,379	11,696,982	9%	97	100	3%
Parks and Recreation	13,698,128	11,726,574	-14%	82	82	0%
Planning and Development	10,002,053	10,003,554	0%	88	88	0%
Procurement Services	3,309,416	2,503,913	-24%	27	27	0%
Public Advocate	9,454,607	9,526,644	1%	94	94	0%
Public Defender	43,650,992	44,322,775	2%	471	474	1%
Public Fiduciary	3,905,571	3,929,288	1%	48	48	0%
Public Health	62,303,991	64,268,911	3%	621	618	0%
Recorder	6,912,426	9,576,748	39%	54	87	61%
Risk Management	33,338,997	34,364,359	3%	32	33	2%
Sheriff	364,427,376	374,050,627	3%	3,828	3,811	0%
Superior Court	106,348,909	105,526,927	-1%	1,263	1,260	0%
Transportation	176,516,958	210,195,330	19%	425	423	0%
Treasurer	6,302,359	6,448,944	2%	61	64	5%
Waste Resources and Recycling	9,159,022	9,091,282	-1%	22	22	0%

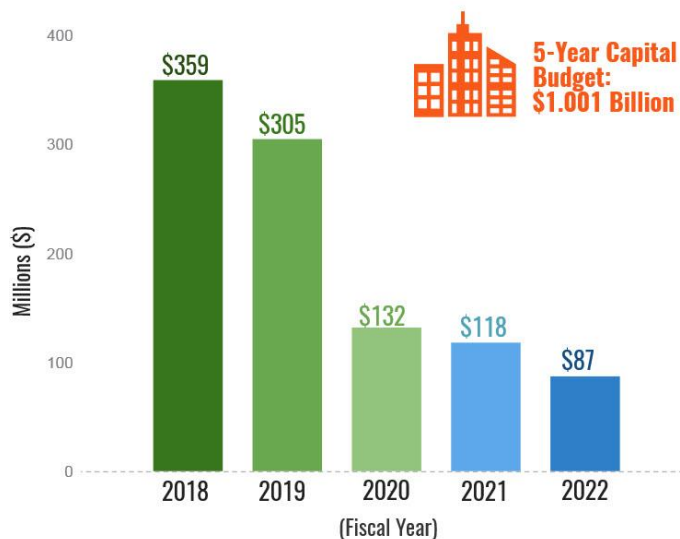
<sup>1</sup>Does not include Non Departmental; only departments with FTE's included.

<sup>2</sup>General Administration includes: the Board of Supervisors, the Clerk of the Board, County Management, and Real Estate.

# Capital Improvement Program

The Capital Improvement Program (CIP) is a plan that identifies capital improvement projects to be completed over the next five fiscal years. Because these projects typically span more than one fiscal year, the plans are updated annually to track existing projects, to identify new projects and to update funding estimates and forecasts.

## 5-Year Capital Improvement Program (Projected Expenditures)



## Contact Us

### MARICOPA COUNTY BUDGET QUESTIONS



How much does the County invest in.... services?

Contact the Budget Office



(602) 506-7280



[www.maricopa.gov/budget](http://www.maricopa.gov/budget)  
[ombweb@mail.maricopa.gov](mailto:ombweb@mail.maricopa.gov)

**FY 2018-2022** ★

**CAPITAL Project Highlights\***

Note: \*Project Costs can include previous years' expenditures



**Public Safety Radio System**

Project Cost: \$131 Million



**Madison Street Jail Adaption**

Project Cost: \$116 Million



**Intake, Transfer & Release Jail Facility**

Project Cost: \$185 Million



**IT Infrastructure Refresh I & II**

Project Cost: \$71 Million



**Transportation Capital Program**

Project Cost: \$337 Million

